5N PLUS

PRESS RELEASE

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5N Plus Inc. Reports Results for Quarter and Fiscal Year Ended December 31, 2016

Montreal, Québec, February 21, 2017 – 5N Plus Inc. (TSX:VNP) ("5N Plus", the "Group" or the "Company"), the leading producer of specialty metal and chemical products, today reported financial results for the quarter and fiscal year ended December 31, 2016. All amounts are expressed in U.S. dollars.

The Company completed a year with tangible results in numerous areas including reduction in operating expenses, in net debt and in net working capital[1] including inventory, while bolstering the balance sheet and improving profit margins despite a challenging operating environment. In 2016, the Company launched various initiatives and achieved a number of milestones including concrete progress toward its renewed vision and strategic plan named 5N21.

- Adjusted EBITDA[1] and EBITDA[1], reached $20.1 million and $15.1 million in fiscal year 2016, compared to $4.0 million and ($54.7) million in fiscal year 2015. The Adjusted EBITDA demonstrates improved profitability accommodated by moderately stable commodity prices, sustainable demand for most metals, and most importantly continued progress at improving the Company's sales mix and reducing operating expenses.

- On September 29, 2016, 5N Plus announced the consolidation of its operations at Wellingborough, United Kingdom and DeForest, Wisconsin, U.S.A. with other sites within the Group. The restructuring fees associated with these two initiatives along with the closure of redundant administrative offices, and the renegotiation of prior years' unfavorable contracts negatively impacted the EBITDA for fiscal year 2016 by $5.9 million.

- Adjusted EBITDA and EBITDA for the fourth quarter 2016 reached $4.3 million and $4.8 million compared to $0.7 million and ($26.0) million during the same period in 2015.

- Revenue for fiscal year 2016 reached $231.5 million compared to $311.0 million for fiscal year 2015, impacted significantly by the decrease in the underlying commodity prices over the course of 2015, while gross margin[1] for 2016 improved to 22.4% compared to a negative gross margin in 2015.

- During the year 2016, net debt[1] was further reduced to $19.0 million as at December 31, 2016 down from $34.9 million for the same period in 2015, positively impacted by working capital management and overall improvement in performance.

- Backlog[1] reached as at December 31, 2016, a level of 136 days of sales outstanding, lower than the previous quarter, resulting from restructuring of certain contracts to balance market share against profitability, as well as client activities associated with retooling and upgrading of their manufacturing footprint. Bookings in Q4 2016 reached 78 days compared to 77 days in Q3 2016 and 95 days in Q4 2015.

- The Company does not expect any deviation to its most recent guidance for 2017 as per 5N21.

[1] See Non-IFRS Measures

- On January 11, 2016, Mr. Luc Bertrand was appointed as the new Chairman of the Company's Board succeeding Mr. Jean- Marie Bourassa, who continues to serve on the Board and as Chair of the Audit & Risk Management Committee.

- On October 5, 2016, 5N Plus announced that the Toronto Stock Exchange approved 5N Plus normal course issuer bid under which, 5N Plus has the right to purchase for cancellation, from October 11, 2016 to October 10, 2017, a maximum of 600,000 common shares.

- On February 20, 2017, 5N Plus announced changes to its executive management structure. Responsibilities assumed by the former functions of Chief Commercial Officer and Chief Operating Officer will be reallocated across the existing business segments (Eco-Friendly and Electronic Materials). Mr. Nicholas Audet, formerly Chief Commercial Officer has been appointed Executive Vice President, Electronic Materials and Mr. Paul Tancell, formerly Global General Manager at Umicore, has joined 5N Plus and has been appointed Executive Vice President, Eco-Friendly Materials. Mr. Bertrand Lessard, Chief Operating Officer of the Company since 2014, will be leaving 5N Plus to pursue other interests.

Arjang Roshan, President and Chief Executive Officer, said "After a difficult year in 2015, 2016 was a foundational year in the Company's history. During the year, we focused our efforts on realigning the overall cost structure, vetting investment opportunities, reducing inventory requirements, restructuring various contracts and reducing future volatility, especially due to metal prices. Furthermore, we adopted a new commercial approach aimed at balancing market share with quality of earnings. With the introduction of 5N21, we put more emphasis on growth initiatives." Mr. Roshan concluded, "We are invigorated by the tangible progress demonstrated by our results. We expect further enhancements in 2017 and as we continue to execute our plan."

Webcast Information
5N Plus will host a conference call on Wednesday, February 22, 2017 at 8:00 am ET with financial analysts to discuss results of the quarter and fiscal year ended December 31, 2016. All interested parties are invited to participate in the live broadcast on the Company's Web site at www.5nplus.com. A replay of the webcast and a recording of the Q&A will be available until March 1, 2017.

To participate in the conference call:
- Montreal area: 514-807-9895
- Toronto area: 647-427-7451
- Toll-Free : 1-888-231-8192

Enter access code 74244845.

Non-IFRS Measures
EBITDA means net earnings (loss) before interest expenses (revenues), income taxes, depreciation and amortization. We use EBITDA because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of certain expenses. The definition of this non-IFRS measure used by the Company may differ from that used by other companies. EBITDA margin is defined as EBITDA divided by revenues.

Adjusted EBITDA means EBITDA as defined above before impairment of inventories, allowance for doubtful of a receivable from a related party, litigation and restructuring costs, gain on disposal of property, plant and equipment, change in fair value of debenture conversion option, foreign exchange and derivatives loss (gain). We use adjusted EBITDA because we believe it is a meaningful measure of the operating performance of our ongoing business without the effects of inventory write-downs. The definition of this non-IFRS measure used by the Company may differ from that used by other companies. Adjusted EBITDA margin is defined as Adjusted EBITDA divided by revenues.

Net debt or net cash is a measure we use to monitor how much debt we have after taking into account cash and cash equivalents. We use it as an indicator of our overall financial position, and calculate it by taking our total debt, including the current portion and the cross-currency swap related to the convertible debenture, and subtracting cash and cash equivalents.

Backlog represents the expected orders we have received but have not yet executed and that are expected to translate into sales within the next twelve months expressed in number of days. Bookings represent orders received during the period considered, expressed in days, and is calculated by adding revenues to the increase or decrease in backlog for the period considered divided by annualized year revenues. We use backlog to provide an indication of expected future revenues in days, and bookings to determine our ability to sustain and increase our revenues.

Gross margin is a measure we use to monitor the sales contribution after paying cost of sales excluding depreciation of property, plant and equipment. We also expressed this measure in percentage of revenues by dividing the gross margin value by the total revenue.

Working capital is a measure of liquid assets that is calculated by taking current assets and subtracting current liabilities. Given that the Company is currently indebted, we use it as an indicator of our financial efficiency and aim to maintain it at the lowest possible level.

About 5N Plus Inc.
5N Plus is the leading producer of specialty metal and chemical products. Fully integrated with closed-loop recycling facilities, the Company is headquartered in Montreal, Québec, Canada and operates manufacturing facilities and sales offices in several locations in Europe, the Americas and Asia. 5N Plus deploys a range of proprietary and proven technologies to produce products which are used in a number of advanced pharmaceutical, electronic and industrial applications. Typical products include purified metals such as bismuth, gallium, germanium, indium, selenium and tellurium, inorganic chemicals based on such metals and compound semiconductor wafers. Many of these are critical precursors and key enablers in markets such as solar, light-emitting diodes and eco-friendly materials.

Forward-Looking Statements and Disclaimer
This press release may contain forward-looking information within the meaning of applicable securities laws. All information and statements other than statements of historical facts contained in this press release are forward-looking information. Such statements and information may be identified by words such as "about", "approximately", "may", "believes", "expects", "will", "intends", "should", "plans", "predicts", "potential", "projects", "anticipates", "estimates", "continues" or similar words or the negative thereof or other comparable terminology. Forward-looking statements are based on the best estimates available to 5N Plus at this time and involve known and unknown risks, uncertainties and other factors that may cause 5N Plus' actual results, performance or achievements to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. A description of the risks affecting 5N Plus' business and activities appears under the heading "Risk and Uncertainties" of 5N Plus' 2016 MD&A dated February 21, 2017 available on SEDAR at www.sedar.com. No assurance can be given that any events anticipated by the forward-looking information in this press release will transpire or occur, or if any of them do so, what benefits that 5N Plus will derive therefrom. In particular, no assurance can be given as to the future financial performance of 5N Plus. The forward-looking information contained in this press release is made as of the date hereof and 5N Plus undertakes no obligation to publicly update such forward-looking information to reflect new information, subsequent or otherwise, unless required by applicable securities laws. The reader is warned against placing undue reliance on these forward-looking statements.

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5N PLUS INC.
Consolidated Statements of Financial Position
(in thousands of United States dollars)

	December 31 2016	December 31 2015
	$	$
Assets		
Current		
Cash and cash equivalents	**24,301**	8,816
Accounts receivable	**29,799**	37,325
Inventories	**80,309**	89,052
Income tax receivable	**6,819**	2,632
Other current assets	**2,831**	1,820
Total current assets	**144,059**	139,645
Property, plant and equipment	**59,945**	67,646
Intangible assets	**11,109**	7,315
Deferred tax assets	**1,883**	3,478
Investment accounted for using the equity method	**779**	310
Derivative financial assets	**189**	-
Other assets	**1,093**	2,343
Total non-current assets	**74,998**	81,092
Total assets	**219,057**	220,737
Liabilities		
Current		
Trade and accrued liabilities	**57,381**	38,744
Income tax payable	**8,422**	6,598
Current portion of long-term debt	**325**	435
Total current liabilities	**66,128**	45,777
Long-term debt	**-**	1,512
Convertible debentures	**43,157**	40,288
Deferred tax liabilities	**715**	668
Employee benefit plan obligation	**14,813**	13,934
Derivative financial liabilities	**68**	1,530
Other liabilities	**5,662**	20,403
Total non-current liabilities	**64,415**	78,335
Total liabilities	**130,543**	124,112
Equity		
Equity holders of 5N Plus Inc.	**88,522**	96,632
Non-controlling interest	**(8)**	(7)
Total equity	**88,514**	96,625
Total liabilities and equity	**219,057**	220,737

5N PLUS INC.
Consolidated Statements of Loss
Years ended December 31
(in thousands of United States dollars, except per share information)

	2016	2015
	$	$
Revenue	**231,498**	311,012
Cost of sales	**190,036**	346,970
Selling, general and administrative expenses	**25,986**	28,494
Other expenses	**12,072**	23,210
Share of (gain) loss from joint ventures	**(23)**	316
	228,071	398,990
Operating earnings (loss)	**3,427**	(87,978)
Financial expenses		
Interest on long-term debt	**3,429**	4,617
Imputed interest and other interest expense	**4,812**	4,350
Changes in fair value of debenture conversion option	**(20)**	(1,840)
Foreign exchange and derivative gain	**(925)**	(4,276)
	7,296	2,851
Loss before income taxes	**(3,869)**	(90,829)
Income tax expense		
Current	**440**	3,655
Deferred	**1,587**	2,717
	2,027	6,372
Net loss	**(5,896)**	(97,201)
Attributable to:		
Equity holders of 5N Plus Inc.	**(5,895)**	(97,198)
Non-controlling interest	**(1)**	(3)
	(5,896)	(97,201)
Loss per share attributable to equity holders of 5N Plus Inc.	**(0.07)**	(1.16)
Basic loss per share	**(0.07)**	(1.16)
Diluted loss per share	**(0.07)**	(1.16)

5N PLUS INC.
(in thousands of United States dollars)

Revenue by Segment and Gross Margin	**Q4 2016**	Q4 2015	**2016**	2015
	$	$	**$**	$
Electronic Materials	**19,333**	18,833	**79,038**	104,265
Eco-Friendly Materials	**35,371**	40,534	**152,460**	206,747
Total revenue	**54,704**	59,367	**231,498**	311,012
Cost of sales	**(44,802)**	(81,501)	**(190,037)**	(346,970)
Depreciation on property, plant and equipment	**2,046**	7,317	**10,353**	13,635
Gross margin[1]	**11,948**	(14,817)	**51,814**	(22,323)
Gross margin percentage[1]	**21.8%**	(25.0%)	**22.4%**	(7.2%)

EBITDA and Adjusted EBITDA	**Q4 2016**	Q4 2015	**2016**	2015
	$	$	**$**	$
Revenue	**54,704**	59,367	**231,498**	311,012
Operating expenses*	**(50,373)**	(58,693)	**(211,387)**	(307,053)
Adjusted EBITDA[1]	**4,331**	674	**20,111**	3,959
Impairment of inventory	**-**	(24,582)	**-**	(58,327)
Allowance for a doubtful note receivable from a related party	**-**	(544)	**-**	(2,991)
Litigation and restructuring costs	**-**	(2,953)	**(5,945)**	(3,453)
Change in fair value of debenture conversion option	**14**	-	**20**	1,840
Foreign exchange and derivative gain (loss)	**458**	1,405	**925**	4,276
EBITDA[1]	**4,803**	(26,000)	**15,111**	(54,696)
Interest on long-term debt, imputed interest and other interest expense	**1,851**	2,012	**8,241**	8,967
Depreciation and amortization	**2,120**	7,287	**10,739**	27,166
Loss before income taxes	**832**	(35,299)	**(3,869)**	(90,829)

**Excluding litigation and restructuring costs and depreciation and amortization.*

[1] See Non-IFRS Measures